

STATE OF NORTH CAROLINA
WAKE COUNTY

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION

Case No. _____ CVS

WARDSON CONSTRUCTION, INC.)
and HOMEQUEST BUILDERS, INC.,)

Plaintiffs)

v.)

CITY OF RALEIGH,)

Defendant)

**COMPLAINT
(Class Action)**

DEMAND FOR JURY TRIAL

FILED
2019 JAN 11 PM 3:49
WAKE COUNTY, N.C.

NOW COMES Wardson Construction, Inc. and HomeQuest Builders, Inc. (hereinafter "Plaintiffs" or "Wardson Construction and HomeQuest Builders") by and through the undersigned counsel complaining of Defendant City of Raleigh (hereinafter "Defendant" or "Raleigh") and allege as follows:

NATURE OF THE ACTION

1. Plaintiffs, on behalf of themselves and others similarly situated, bring this action as a collection action to obtain redress arising from the unlawful collection of "Capital Facilities Fees", a form of unauthorized "Impact Fees" charged by Raleigh without authorization from the General Assembly or the North Carolina Supreme Court.
2. This case arises under *Quality Built Homes, Inc. v. Town of Carthage*, 789 S.E.2d 454 (N.C. 2016), other case law, and the Uniform Declaratory Judgment Act, N.C. Gen. Stat. § 1-253, *et seq.*
3. This is a class action, filed pursuant to Rule 23 of the North Carolina Rules of Civil Procedure on behalf of Plaintiffs and others similarly situated who have, in the past three (3) years or longer as may be allowed by law, paid Capital Facilities Fees pursuant to

Raleigh's standardized policies and procedures, Raleigh's Code of Ordinances, Raleigh's Schedule of Fees, or as otherwise required by Raleigh in violation of North Carolina law as further set forth herein.

JURISDICTION AND VENUE

4. The foregoing allegations are hereby reincorporated by reference as if fully restated herein.
5. This Court has jurisdiction over the parties and this action pursuant to N.C. Gen. Stat. § 1-254 because the rights of Plaintiffs are directly and adversely affected by the ordinance and other actions of Raleigh.
6. Venue is proper under N.C. Gen. Stat. § 1-82 in that Defendant is a body politic and a corporate municipality in Wake County, North Carolina.
7. A copy of this complaint is being served on the Attorney General of North Carolina pursuant to N.C. Gen. Stat. § 1-260.

PARTIES

8. The foregoing allegations are hereby reincorporated by reference as if fully restated herein.
9. Plaintiffs Wardson Construction, Inc. and HomeQuest Builders, Inc. ("Wardson Construction" and HomeQuest Builders") are both corporations organized and existing under the laws of the State of North Carolina with their principal places of business in North Carolina.
10. Defendant City of Raleigh is a body politic and a corporate municipality with the capacity to be sued as provided in N.C. Gen. Stat. § 160A-11.
11. Raleigh is not entitled to any governmental or legislative immunity because it undertook

functions beyond its governmental and propriety immunity.

12. Raleigh is not entitled to sovereign immunity or any other immunities, and has, to the extent that it purchased insurance or participates in a risk pool arrangement or is self insured, waived sovereign immunity and all other immunities.

BACKGROUND

13. The foregoing allegations are hereby reincorporated by reference as if fully restated herein.
14. On July 20, 2017, the General Assembly enacted House Bill 436 in an effort to legalize municipalities' ability to charge fees, such as Impact Fees and Capital Facilities Fees, for services to be furnished.
15. However, in passing House Bill 436, the legislature made very clear the following regarding the liability of cities and towns who had previously charged Impact Fees, such as Raleigh's Capital Facilities Fees, prior to October 1, 2017:

Sections 1 through 9 of this act become effective October 1, 2017, and apply to system development fees imposed on or after that date. Section 10 of this act, being a clarifying amendment, has retroactive effect and applies to claims accrued or pending prior to and **after** the date that section becomes law. **Nothing in this act provides retroactive authority for any system development fee, or any similar fee for water or sewer services to be furnished, collected by a local governmental unit prior to October 1, 2017.** The remainder of this act is effective when it becomes law and applies to claims accrued or pending prior to and after that date.

2017 Bill Text NC H.B. 436 (emphasis supplied). Codified in N.C. Gen. Stat. § 162A-203.

The General Assembly made the statute of limitations of Impact Fees, including Capital Facilities Fees, three (3) years by statute: SECTION 10.(a) G.S. 1-52(15) reads as rewritten:

"(15) For the recovery of taxes paid as provided in G.S. 105-381.

G.S. 105-381 OR FOR THE RECOVERY OF AN UNLAWFUL FEE, CHARGE, OR EXACTION COLLECTED BY A COUNTY, MUNICIPALITY, OR OTHER UNIT OF LOCAL GOVERNMENT FOR WATER OR SEWER SERVICE OR WATER AND SEWER SERVICE. "

SECTION 10.(b) This section is to clarify and not alter G.S. 1-52.

2017 Bill Text NC H.B. 436

16. Upon information and belief, at all times relevant to the allegations contained herein, Defendant has maintained a uniform policy of requiring any builder, developer, or other entity who sought to obtain water or sewer service for a residence or structure subject to Raleigh's Schedule of Fees to pay "Capital Facilities Fees" to Raleigh.
17. Some municipalities in North Carolina have had authorization to charge Impact Fees. These municipalities received such authority via Special Legislation passed by the North Carolina General Assembly that legally enables that particular Town or City to impose Impact Fees. The Towns of Garner, Pittsboro, Knightdale, and Cary, are examples of municipalities who received Special Legislation by the General Assembly to lawfully charge certain Impact Fees under certain enumerated conditions in its charters by special legislation. Upon information and belief, Raleigh did not receive such Special Legislation to lawfully charge Capital Facilities Fees.
18. Pursuant to the 2017-2018 schedule of fees adopted by Raleigh, said Capital Facilities Fees range from \$1,315 for a 5/8 inch meter to \$282,815 for a 12 inch or greater meter for water and \$1,938 to \$416,991 for sewer respectively. Said Capital Facilities Fees are in addition to the regular fees for water and sewer. Regular fees would include connection fees, volumetric user fees, and any other fee that is for the actual usage or maintenance of water and sewer services. See **Exhibit A**, a true and accurate copy of

the 2017-2018 City of Raleigh Schedule of Fees.

19. Pursuant to the 2017-2018 Schedule of Fees adopted by Raleigh, Raleigh *already charged* Plaintiff and Class Members a labor and material tap fee that ranges from \$2,792 for a 4 inch water meter to \$3,490 for a 4 inch sewer service meter in addition to charging Capital Facilities Fees. See attached **Exhibit A**. Pursuant to the 2018-2019 schedule of fees adopted by Raleigh, said Capital Facilities Fees range from \$1,373 for a 5/8 inch meter to \$363,845 for a 12 inch or greater meter for water and from \$2,522 to \$668,330 for sewer respectively.
20. Attached as **Exhibit B** is a true and accurate copy of the 2018-2019 Schedule of Fees for the City of Raleigh.
21. Raleigh charged the aforementioned tap fees and Capital Facilities Fees during all relevant periods alleged herein.
22. Upon information and belief, part or all of the Capital Facilities Fees charged by Raleigh pursuant to its Schedule of Fees is for future expansion or future water and sewer services or systems, rather than for the contemporaneous or actual usage of said services or systems. This is unlawful. At the times it charged Plaintiffs and Class Members Capital Facilities Fees, Raleigh had no Special Legislation charter provision, or other legal authority, that sets out any authorization by the General Assembly to charge Capital Facilities Fees for future expansion of its water systems and sewer systems or for services to be furnished.
23. Upon information and belief, Raleigh collected and used the unlawful Capital Facilities Fees as described herein without express or implied legal authority.
24. Further, pursuant to N.C. Gen. Stat. § 159-18, the Capital Reserve Fund statute, it states:

A capital reserve fund shall be established by resolution or ordinance of the governing board which shall state (i) the purposes for which the fund is created, (ii) the approximate periods of time during which the moneys are to be accumulated for each purpose, (iii) the approximate amounts to be accumulated for each purpose, and (iv) the sources from which moneys for each purpose will be derived.

25. Upon information and belief, Raleigh has failed to create a capital reserve as provided by N.C. Gen. Stat. § 159-18 and deposit said Capital Facilities Fees collected from Plaintiffs and Class members therein until June or July of 2018.
26. Upon information and belief, Raleigh's Capital Facilities Fees have been deposited in the same fund and account which collects volumetric water and sewer fees, connection fees, availability Fees, and all water and sewer revenues collected by the City during that fiscal year.
27. Upon information and belief, the Capital Facilities Fees paid by Plaintiffs and Class Members were comingled with the volumetric water and sewer user fees, Connection Fees, Availability Fees, and all water and sewer revenues collected by the City in that fiscal year. This is an unlawful act and use of the Capacity Facilities Fees.
28. The purpose of N.C. Gen. Stat. § 159-18 is to prevent a municipality from comingling various revenues in the manner that Raleigh has done with the collection and comingling of its Capital Facilities Fees and other water and sewer revenues.
29. Further, pursuant to N.C. Gen. Stat. § 159-22, the Withdrawals from Capital Reserve fund statute, it states:

Withdrawals from a capital reserve fund may be authorized by resolution or ordinance of the governing board of the local government or public authority. No withdrawal may be authorized for any purpose not specified in the resolution or ordinance establishing the fund or in a resolution or ordinance amending it. The withdrawal resolution or ordinance shall authorize an

appropriation from the capital reserve fund to an appropriate appropriation in one of the funds maintained pursuant to G.S. 159-13(a). No withdrawal may be made which would result in an appropriation for purposes for which an adequate balance of eligible moneys or investment securities is not then available in the capital reserve fund.

30. Upon information and belief, from October 1, 2015 to present, Raleigh has not complied with the requirements in N.C. Gen. Stat. § 159-22 when making withdrawals of Capital Facilities Fees from the fund in which they were originally deposited in upon receipt and transferring to other funds.

31. Further, pursuant to N.C. Gen Stat § 162A-11, Capital Facilities Fees must be kept in trust. The statute provides:

All moneys received pursuant to the authority of this Article shall be deemed to be trust funds, to be held and applied solely as provided in this Article. The resolution authorizing the issuance of bonds or the trust agreement securing such bonds shall provide that any officer to whom, or bank, trust company or fiscal agent to which, such moneys shall be paid shall act as trustee of such moneys and shall hold and apply the same for the purposes hereof, subject to such regulations as this Article and such resolution or trust agreement may provide.

32. Upon information and belief, Raleigh has never created a trust fund pursuant to N.C. Gen. Stat. § 162A-11 and deposited said Capital Facilities Fees upon receipt therein.

33. During the time period in which it charged Plaintiffs Capital Facilities Fees as a precondition for development approval, Raleigh was not authorized to charge Fees pursuant to the enabling statute of N.C. Gen. Stat. § 160A-311 ("Public Enterprise Statute") or any other statute or law for future expansion of its water and sewer systems or for services to be furnished.

34. The Public Enterprise Statute only allowed Raleigh to charge for the contemporaneous

use of its water and sewer systems, and the plain language of said Statutes clearly failed to empower Raleigh to impose Capital Facilities Fees for future expansion of water and sewer systems or for services to be furnished at the time it charged Plaintiffs and Class Members Capital Facilities Fees.

35. Upon information and belief, Raleigh charged and collected improper Capital Facilities Fees pursuant to its Code of Ordinances and/or its Schedule of Fees, without authorization by the General Assembly of North Carolina to charge such fees and is in violation of the Supreme Court's holding in *Quality Built Homes, Inc. v. Town of Carthage* and other applicable case law and statutes.
36. Raleigh charges Capital Facilities Fees in part pursuant to Section 8-2092 of its Code of Ordinances which states:

In addition to all other charges, prescribed by ordinance or resolution now or hereafter in effect, there shall be a capital facilities fee charge for connecting with the water system of the city, either within or without the corporate limits of the city, and there shall be a capital facilities fee charge for connecting with the sewer system of the city, within or without the corporate limits of the city. The charges shall be calculated based on the water meter size for the property served by the connection. The amounts of such charges to be paid to the city at the time that application for the connection is made shall be as follows:.

37. A true and accurate copy of Sec. 8-2092 of the Raleigh Code of Ordinances is attached hereto as **Exhibit C**.
38. On April 12, 2018, Raftelis Financial Consultants, Inc., a consulting firm hired by Raleigh to comply with House Bill 436 requirements, issued a report to Raleigh regarding its evaluation of the amount of Capital Facilities Fees may charge moving forward. See the full Raftelis Water and Sewer System Development Fee Report attached hereto as **Exhibit D**.

39. In the Raftelis report, it states “[u]tilities often borrow funds to construct assets. The City uses revenues from retail rates and charges to make the payments on these borrowed funds.” See **Exhibit D** at page 5. Thus, Raftelis’ findings illustrate that Raleigh used volumetric water and sewer rates to pay for contemporaneous services rather than the Capital Facility Fees. Therefore, the Capital Facility Fees collected by Raleigh were plainly not for contemporaneous usage and therefore was unlawfully collected.
40. Raleigh should have only charged Plaintiffs and Class Members Capital Facilities Fees during that time period for contemporaneous services. Instead Raleigh unlawfully collected Capital Facilities Fees and allegedly used none for debt service for existing facilities, infrastructures and failed to properly account for the Capital Facilities Fees as provided by law and unlawfully retained and used sums. House Bill 436 was enacted to prevent this very conduct.

FACTS SPECIFIC TO PLAINTIFFS

Wardson Construction, Inc. and HomeQuest Builders, Inc.

41. The foregoing allegations are hereby reincorporated by reference as if fully restated herein.
42. On or about January 9th, 2018, Wardson Construction paid water and sewer Capital Facilities Fees pursuant to Raleigh’s Code of Ordinances and Raleigh’s Schedule of Fees, in connection with a home located at 8313 Leyburn Court, Raleigh, NC 28451. See the bill attached hereto as **Exhibit E**.
43. Within the last three years, HomeQuest Builders paid water and sewer Capital Facilities Fees pursuant to Raleigh’s Code of Ordinances and Raleigh’s Schedule of Fees, in

connection with a home located at 8417 Hobhouse Circle, Raleigh 27614. See the bill attached hereto as **Exhibit F**.

44. Within the last three years, HomeQuest Builders paid water and sewer Capital Facilities Fees pursuant to Raleigh's Code of Ordinances and Raleigh's Schedule of Fees, in connection with a home located at 8421 Hobhouse Circle, Raleigh 27614. See the bill attached hereto as **Exhibit G**.
45. Within the last three years, HomeQuest Builders paid water and sewer Capital Facilities Fees pursuant to Raleigh's Code of Ordinances and Raleigh's Schedule of Fees, in connection with a home located at 8425 Hobhouse Circle, Raleigh 27614. See the bill attached hereto as **Exhibit H**.
46. Within the last three years, HomeQuest Builders paid water and sewer Capital Facilities Fees pursuant to Raleigh's Code of Ordinances and Raleigh's Schedule of Fees, in connection with a home located at 515 Grove Avenue, Raleigh 27606. See the bill attached hereto as **Exhibit I**.
47. Within the last three years, HomeQuest Builders paid water and sewer Capital Facilities Fees pursuant to Raleigh's Code of Ordinances and Raleigh's Schedule of Fees, in connection with a home located at 517 Grove Avenue, Raleigh 27606. See the bill attached hereto as **Exhibit J**.
48. Upon information and belief, Raleigh used a portion if not all of said Capital Facilities Fees for an unlawful purpose as explained herein.

COMMON CLASS ALLEGATIONS

49. The foregoing allegations are hereby reincorporated by reference as if fully restated herein.

50. Pursuant to Rule 23 of the North Carolina Rules of Civil Procedure, Plaintiffs bring this action individually and on behalf of a class initially defined as:

All natural persons or corporations who (a) at any point within the three (3) year period preceding the filing of Plaintiffs' Complaint, or within whatever period is allowed by law, during its pendency, and including fees illegally charged after the date of filing (b) paid Capital Facilities Fees to the City of Raleigh pursuant to the Schedule of Fees and Code of Ordinances adopted by the City of Raleigh including time periods prior to the adoption of an ordinance that complies with House Bill 436.

51. Plaintiffs are adequate representatives of the class in that Plaintiffs do not have antagonistic or conflicting claims with the other members of the class; Plaintiffs have a sufficient interest in the outcome to ensure vigorous advocacy; and Plaintiffs' counsel have the requisite qualifications and experience to conduct the proposed litigation competently and vigorously.
52. Defendant has acted on grounds generally applicable to the proposed class, thereby making appropriate final injunctive and declaratory relief with respect to the class as a whole.
53. The Class members are so numerous that joinder of all is impractical. The names and addresses of potential Class members are readily identifiable through the business records maintained by Defendant, and the Class members may be notified of the pendency of this action by published and/or mailed notice.
54. Upon information and belief, within the three (3) year period preceding the filing of Plaintiffs' Complaint, or within whatever period is allowed by law, Defendant has collected unlawful Capital Facilities Fees from at least hundreds of potential Class members.
55. The requirements of Rule 23 are met in that this class, upon information and belief, consists of at least hundreds present and former developers, contractors, entities and

individuals, who have either already paid, or will pay, Capital Facilities Fees to Raleigh pursuant to the schedule of fees adopted by Raleigh.

56. Common questions of law and fact predominate over any individual issues that may be presented, because Defendant has a pattern, practice, and policy of collecting said Impact Fees from developers, contractors, and other entities. Common questions include, but are not limited to:
- a. Whether Defendant's pattern, practice, and policy of collecting Capital Facilities Fees violates applicable North Carolina law;
 - b. Whether Raleigh improperly charged and collected Capital Facilities Fees under the Raleigh Code of Ordinances, or other applicable ordinance, and its Schedule of Fees, for future expansion of its water and sewer systems or for services to be furnished, without being specifically authorized by the General Assembly of North Carolina to charge such fees; and,
 - c. Whether Plaintiffs have been deprived of its property interests by action of Raleigh which has no rational relation to a valid governmental objective.
57. Plaintiffs claims are typical of the claims of each Class member and all are based on the same facts and legal theories in that Raleigh has a specific policy of collecting an improper Capital Facilities Fees from each member of the proposed Class through the schedule of fees and pursuant to the Code of Ordinances adopted by the Raleigh.
58. Plaintiffs have no interests adverse or antagonistic to the interests of other members of the Class.
59. Plaintiffs will fairly and adequately protect the interests of the Class and has retained experienced counsel, competent in the prosecution of collection of unlawful municipal fees in the context of class action litigation.
60. Neither Plaintiffs nor their counsel have any interests that might cause them not to vigorously pursue this action. Plaintiffs are aware of their responsibilities to the putative

class and has accepted such responsibilities.

61. Defendant has acted on grounds generally applicable to the Class, thereby making appropriate final injunctive and declaratory relief with respect to the class as a whole.
62. A class action is superior to other methods for the fair and efficient adjudication of the claims herein asserted. Plaintiffs anticipate that no unusual difficulties are likely to be encountered in the management of this class action. Plaintiffs further allege that certification of the Class is appropriate in that:
 - a. A class action will permit a large number of similarly situated persons to prosecute their common claims in a single forum simultaneously, efficiently, and without the duplication of effort and expense that numerous individuals' actions would engender;
 - b. Each and every member of the proposed Class is subject to the same ordinance and schedule of fees as set forth herein;
 - c. Class treatment will permit the adjudication of relatively small claims by many Class members who could not otherwise afford to seek legal redress for the wrongs complained of herein; and,
 - d. Absent a class action, the Class members will continue to suffer losses of statutorily protected rights as well as monetary damages, and if Defendant's conduct continues to proceed without remedy, it will continue to reap and retain the proceeds of their ill-gotten gains.

FIRST CLAIM FOR RELIEF

(Declaration that the City's Adoption and Enforcement of the Challenged Fees Exceeds the Authority of the City and is *Ultra Vires*.)

63. The foregoing allegations are hereby reincorporated by reference as if fully restated herein.
64. Pursuant to N.C. Const. Art. VII, Sec. 1 and N.C. Gen. Stat. §160A-4, municipalities in North Carolina only have the authority to exercise powers, duties, privileges and immunities conferred upon them by the General Assembly.
65. The General Assembly had not authorized municipalities to charge and collect Capital

Facilities Fees by a municipality for the future expansion of its water and sewer systems or for services to be furnished when Raleigh collected Capital Facilities Fees from Plaintiffs and Class Members.

66. In charging the Capital Facilities Fees, Raleigh has illegally exacted a fee that is not specifically authorized by law.
67. Plaintiffs are entitled to a Declaratory Judgment Pursuant to N.C. Gen. Stat. §§ 1-253, *et seq.* declaring that Raleigh's Capital Facilities Fees were unlawful for the reason that the City had exceeded its authority by adopting and Capital Facilities Fees as alleged herein.

SECOND CLAIM FOR RELIEF

(Violation of N.C. Gen. Stat. § 160A-314(a) and Return of Fees Plus 6% Interest Pursuant to N.C. Gen. Stat. §160A-363(e))

68. The foregoing allegations are hereby reincorporated by reference as if fully restated herein.
69. N.C. Gen. Stat. § 160A-363(e) provides that if a city is found to have exacted a fee that is not specifically authorized by law, the city shall return the fee plus 6% interest per annum.
70. Our Supreme Court in *Quality Built Homes, Inc. v. Town of Carthage*, held that local governments, such as Raleigh, under the Public Enterprise Statute, N.C. Gen. Stat. § 160A-314(a) a municipality may not charge for the future expansion of water and sewer systems or for services to be furnished.
71. Raleigh's Capital Facilities Fee was a fee collected in part or in whole for the future expansion of water and sewer systems or for services to be furnished without express or implied legislative authority.
72. Raleigh has collected illegal Capital Facilities Fees from Plaintiffs and Class members.

73. Plaintiffs and Class members are entitled to the return of a portion or all Capital Facilities Fees paid to Raleigh plus 6% interest per annum, plus attorneys' fees and costs as allowed by law.

THIRD CLAIM FOR RELIEF

(The City's Adoption and Enforcement of the Challenged Ordinances Violates Plaintiffs' Rights to Equal Protection and Substantive Due Process under N.C. Const. Art. I, Sec. 19)

74. The preceding paragraphs are reincorporated by reference as if fully set forth herein.
75. Pursuant to N.C. Const. Art. VII, Sec. 1 and N.C. Gen. Stat. § 160A-4, municipalities in North Carolina do not have authority to exercise powers contrary to State law.
76. Raleigh's Capital Facilities Fees are unlawful, *ultra vires*, and not authorized by law, as Raleigh lacks authority from the General Assembly to charge fees for the expansion of its water and sewer systems or for services to be furnished by Raleigh in the future.
77. Raleigh's adoption and imposition of unlawful Capital Facilities Fees as a condition to development approval is contrary to State law.
78. The imposition of unlawful fees by Raleigh as a condition to development approval is arbitrary and capricious and constitutes an abuse of discretion.
79. By adopting and imposing unlawful Capital Facilities Fees as a condition to development approval, Raleigh has subjected Plaintiffs to disparate treatment under the laws without a rational basis in derogation of Plaintiffs' fundamental rights, and Raleigh has acted outside the legitimate objective permitted for ordinances enacted by municipalities in North Carolina.
80. By adopting and imposing unlawful Capital Facilities Fees as a condition to development approval, Raleigh violated Plaintiffs' and the Class' rights to equal protection and to substantive due process as provided by Article 1, Sec. 19 of the North

Carolina Constitution.

DEMAND FOR JURY TRIAL

Plaintiffs hereby demand a trial by jury for all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs Wardson Construction, Inc. and HomeQuest Builders, Inc. and members of the Class respectfully request that this Court:

1. Declare Raleigh's Capital Facilities Fees unlawful from the date three years prior to the date in which this Complaint is filed to the date in which Raleigh into compliance with House Bill 436;
2. Certify the Class and appointing Plaintiffs and their counsel to represent the Class;
3. Issue a declaratory judgment that Defendant's actions as set forth herein violated Plaintiffs' rights and each member of the Class' rights pursuant to N.C. Gen. Stat. § 1-253;
4. That Plaintiffs and Class Members have and recover from Defendant all Capital Facilities Fees paid by the Plaintiffs and Class Members for the future expansion of its water and sewer systems or for services to be furnished, together with interest and attorney fees as allowed by law;
5. That Plaintiffs and Class Members be awarded reasonable attorney fees pursuant to N.C. Gen. Stat. § 6-21.7;
6. That Plaintiffs and Class Members have and recover damages, costs, and attorney's fees pursuant to Article I, Section 19 of the North Carolina Constitution for deprivation of their property rights;
7. Tax the costs of this action to Defendant; and

8. Grant Plaintiffs and the members of the Class such other and further relief as the Court deems just and proper.

Respectfully submitted, this the 11 day of January, 2019.

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COMPREHENSIVE GUIDE FOR RALEIGH DEVELOPMENT FEES

Development Fee Schedule 2017



VII. Utility Connection Fees

The fee structure for connecting to the City of Raleigh's utility system may include any of the following charges:

Water/Sewer Services Installation

"Tap" fee, city installed **Fee Schedule Ord. No.2017- 685 (Section 8-2039)**

Taps may be installed by the City of Raleigh for connection to water and sewer. Service lines extend from the main to the edge of the right-of-way or private property. This fee is not charged if the tap is installed by a licensed utility contractor.

Size and Type of Service	
3/4 inch water service*	\$2,792
1 inch water*	\$3,069
3/4 inch split water service (new service application)	\$558
1 inch split water service (existing service application)	\$1,150
1 inch split water (new service application)	\$951
1 inch split water (existing application)	\$1,540
4 inch sewer service*	\$3,490

Fee Schedule Ord. No.2017-683 (section 8-2040)

A licensed contractor must obtain a stub permit for each fire, water and/or sewer service connection to a main \$87

*The city does not install taps across divided roadways, or across roadways/streets measuring 45 feet or longer as measured from back of curb to back of curb. When no curb exists, the measurement shall be marked from the edge of pavement. Sewer Only Disconnection/Reconnection Fee \$1,409

Capital Facilities

Fee Ordinance No. 2013-179 (Section 8-2092)

In addition to all other charges, prescribed by ordinance or resolution now or hereafter in effect, there shall be a capital facilities fee charge for connecting with the water system of the city, either within or without the corporate limits of the city, and there shall be a capital facilities fee charge for connecting with the sewer system of the city, within or without the corporate limits of the city. The charges shall be calculated based on the water meter size for the property served by the connection. The amounts of such charges to be paid to the city at the time that application for the connection is made shall be as follows:.

Water Meter Size (inches)	Water (per meter)	Sewer (per meter)
5/8	\$1,315.00	\$1,938.00
1	\$3,289.00	\$4,849.00
1 1/2	\$6,577.00	\$9,697.00
2	\$10,523.00	\$15,516.00
4	\$32,885.00	\$48,487.00
6	\$65,771.00	\$96,975.00
8	\$105,233.00	\$155,159.00
10	\$151,273.00	\$223,042.00
12 inch and greater	\$282,815.00	\$416,991.00

For approved sewer-only connections, the capital facilities fee shall be the 5/8" fee of \$1,938.00 per 4-inch sewer service connection.

Sewer Connection Fee Outside City Limits

Each dwelling, industry or business outside the corporate limits of the City of Raleigh that makes a service connection to the city's sewage system

\$200

Water and Sewer Assessment Fees

Water and sewer assessment fees represent a portion of the cost of extending water and sewer mains to serve a property. If a property is located inside of the Raleigh city limits, assessment fees become due upon City Council confirmation. Otherwise, if a property is located outside of the Raleigh city limits, assessment fees become due upon annexation, connection to utilities, or prior to plat recordation. In order to determine if a property is subject to assessment fees, please visit raleighnc.gov and search "Assessment Liens." This information is also available by contacting Revenue Services at 919-996-3200. If a property is not served by water and/or sewer mains, the developer may be required to extend the mains or pay a fee in lieu of assessment as a condition of development approval. For assistance with utility extension requirements, contact the Public Utilities Department at 919-996-4540.

City Water Meter Installation

Fee Schedule Ord. No. 2017-686 (Section 8-2005)

COMPREHENSIVE GUIDE FOR RALEIGH DEVELOPMENT FEES

Development Fee Schedule

July 4, 2018 - June 30, 2019

B



VII. Utility Connection Fees

The fee structure for connecting to the City of Raleigh's utility system may include any of the following charges:

Water/Sewer Services Installation

"Tap" fee, city installed **Fee Schedule Ord. No.2018 - 841 (Section 8-2039)**

Taps may be installed by the City of Raleigh for connection to water and sewer. Service lines extend from the main to the edge of the right-of-way or private property. This fee is not charged if the tap is installed by a licensed utility contractor.

Size and Type of Service	
3/4 inch water service*	\$2,900
1 inch water*	\$3,187
3/4 inch split water service (new service application)	\$580
3/4 inch split water service (existing service application)	\$1,194
1 inch split water (new service application)	\$988
1 inch split water (existing application)	\$1,599
4 inch sewer service*	\$3,625

Fee Schedule Ord. No.2018-845 (section 8-2040)

A licensed contractor must obtain a stub permit for each fire, water and/or sewer service connection to a main \$90

*The city does not install taps across divided roadways, or across roadways/streets measuring 45 feet or longer as measured from back of curb to back of curb. When no curb exists, the measurement shall be marked from the edge of pavement. Sewer Only Disconnection/Reconnection Fee \$1,463

Capital Facilities

Fee Ordinance No. 2018-835 (Section 8-2092)

In addition to all other charges, prescribed by ordinance or resolution now or hereafter in effect, there shall be a capital facilities fee charge for connecting with the water system of the city, either within or without the corporate limits of the city, and there shall be a capital facilities fee charge for connecting with the sewer system of the city, within or without the corporate limits of the city. The charges shall be calculated based on the water meter size for the property served by the connection. The amounts of such charges to be paid to the city at the time that application for the connection is made shall be as follows:

Water Meter Size (inches)	Water (per meter)	Sewer (per meter)
5/8	\$1,373.00	\$2,522.00
1	\$3,433.00	\$6,305.00
1 1/2	\$6,865.00	\$12,610.00
2	\$10,984.00	\$20,176.00
4	\$34,325.00	\$63,050.00
6	\$68,650.00	\$126,100.00
8	\$109,840.00	\$201,760.00
10	\$288,330.00	\$529,620.00
12 inch and greater	\$363,845.00	\$668,330.00

For approved sewer-only connections, the capital facilities fee shall be the 5/8" fee of \$2,522.00 per 4-inch sewer service connection.

Sewer Connection Fee Outside City Limits

Each dwelling, industry or business outside the corporate limits of the City of Raleigh that makes a service connection to the city's sewage system

\$200

Water and Sewer Assessment Fees

Water and sewer assessment fees represent a portion of the cost of extending water and sewer mains to serve a property. If a property is located inside of the Raleigh city limits, assessment fees become due upon City Council confirmation. Otherwise, if a property is located outside of the Raleigh city limits, assessment fees become due upon annexation, connection to utilities, or prior to plat recordation. In order to determine if a property is subject to assessment fees, please visit raleighnc.gov and search "Assessment Liens." This information is also available by contacting Revenue Services at 919-996-3200. If a property is not served by water and/or sewer mains, the developer may be required to extend the mains or pay a fee in lieu of assessment as a condition of development approval. For assistance with utility extension requirements, contact the Public Utilities Department at 919-996-4540.

City Water Meter Installation

Fee Schedule Ord. No. 2018-842 (Section 8-2005)

Sec. 8-2092. - SEWER CAPITAL FACILITIES FEES IMPOSED ON ALL CONNECTIONS.

- (a) In addition to all other fees, prescribed by ordinance or resolution now or hereafter in effect, there *shall* be a fee for connecting with the sewer system of the *City*, within or without the corporate limits of the *City*. The fees *shall* be calculated based on the water meter size for the *property* served by the connection. The amounts of such fees to be paid to the *City* at the time that application for the connection is made *shall* be as follows:

Sewer Capital Facilities Fee Schedule	
Water Meters (inches)	Sewer Capital Facilities Fee (per tap)
$\frac{5}{8}$	\$ 2,522.00
$\frac{3}{4}$	3,783.00
1	6,305.00
1½	12,610.00
2	20,176.00
3	40,352.00
4	63,050.00
6	126,100.00
8	201,760.00
10	529,620.00
12	668,330.00

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- (b) For approved sewer-only connections, the capital facilities fee *shall* be two thousand five hundred twenty-two dollars (\$2,522.00) per 4-inch sewer service connection. The fee will increase proportionately to the increased connection size and/or volume.
- (c) For redevelopment projects, the amount of the capital facilities fee *shall* take into account and provide credit for the number of meters and their respective sizes on the *property* that were connected to the utility system prior to redevelopment of the *property*. In no case *shall* the credit for the existing connections exceed the amount of the new capital facilities fee.

(Res. 1961-233; Res. 1964-404; Res. 1970-976; Res. 1972-659; Res. 1973-773; Ord. No. 1979-186, 8-21-79; Ord. No. 1981-670, §1, 5-19-81; Ord. No. 1984-338, §§2, 3, 4-17-84; Ord. No. 1984-470, §1, 12-18-84; Ord. No. 1985-543, §13, 4-16-85; Ord. No. 1985-585, §1, 6-18-85; Ord. No. 1985-628, §1, 9-3-85; Ord. No. 1985-681, §1, 12-3-85; Ord. No. 1986-754, §1, 4-1-86; Ord. No. 1986-860, §1, 10-7-86; Ord. No. 1987-955, §1, 4-21-87; Ord. No. 1988-145, §1, 4-19-88; Ord. No. 1988-291-TC-327, §13, 12-13-88; Ord. No. 1989-375, §1, 6-6-89; Ord. No. 1989-418, §1, 9-5-89; Ord. No. 1990-599, §1, 6-19-90; Ord. No. 1991-718, §1, 2-5-91; Ord. No. 1991-878, 7-16-91; Ord. No. 1992-966, §1, 5-5-92; Ord. No. 1993-199, §1, 6-1-93; Ord. No. 1994-398, §1, 5-17-94; Ord. No. 1995-624, §1, 5-2-95; Ord. No. 1997-112, §1, 5-20-97; Ord. No. 1998-258, §1, 1-6-98; Ord. No. 1998-334, §1, 6-2-98; Ord. No. 1999-545, §1, 4-20-99; Ord. No. 2000-795, §1, 5-16-00; Ord. No. 2001-994, §1, 5-1-01; Ord. No. 2002-195, §1, 5-7-02; Ord. No. 203-436, §1, 5-6-03; Ord. No. 2004-620, §1, 5-4-04; Ord. No. 2005-823, §1, 5-17-05; Ord. No. 2006-13, §1, 5-2-06; Ord. No. 2007-165-TC-299, §1, TC-1-07, 2-6-07; Ord. No. 2007-223, §1, 5-1-07, eff. 7-1-07; Ord. No. 2008-376, §1, 4-15-08, eff. 7-1-08; Ord. No. 2009-554, §1, 3-17-09, eff. 7-1-09; Ord. No. 2010-716, §1, 4-6-10, eff. 7-1-10; Ord. No. 2011-882, §1, 5-17-11, eff. 7-1-11; Ord. No. 2012-52, §1, 5-14-12, eff. 7-1-12; Ord. No. 2012-81, §3, 6-19-12, eff. 7-1-12; Ord. No. 2013-179, §3, 4-16-13; Ord. No. 2013-197, §§3, 4, 6-18-13, eff. 7-1-13; Ord. No. 2017-735, §1, 9-5-17, eff. 9-30-17; Ord. No. 2018-835, §1, 6-5-18, eff. 7-1-18.)

Sec. 8-2092.1. - WATER CAPITAL FACILITIES FEES IMPOSED ON ALL CONNECTIONS.

- (a) In addition to all other fees, prescribed by ordinance or resolution now or hereafter in effect, there *shall* be a fee for connecting with the water system of the *City*, either within or without the corporate limits of the *City*. The fees *shall* be

calculated based on the water meter size for the *property* served by the connection. The amounts of such fees to be paid to the *City* at the time that application for the connection is made *shall* be as follows:

Water Capital Facilities Fee Schedule	
Water Meters (inches)	Water Capital Facilities Fee (per tap)
$\frac{5}{8}$	\$ 1,373.00
$\frac{3}{4}$	2,060.00
1	3,433.00
1½	6,865.00
2	10,984.00
3	21,968.00
4	34,325.00
6	68,650.00
8	109,840.00
10	288,330.00
<u>12</u>	363,845.00

(b)

For redevelopment projects, the amount of the capital facilities fee *shall* take into account and provide credit for the number of meters and their respective sizes on the *property* that were connected to the utility system prior to redevelopment of the *property*. In no case *shall* the credit for the existing connections exceed the amount of the new capital facilities fee.

(Ord. No. 2017-735, §2, 9-5-17, eff. 9-30-17 ; Ord. No. 2018-835, §2, 6-5-18, eff. 7-1-18.)

April 12, 2018

Mr. Robert Massengill
Public Utilities Director
City of Raleigh Public Utilities Department
One Exchange Plaza, Suite 620
219 Fayetteville Street Mall
Raleigh, NC 27601

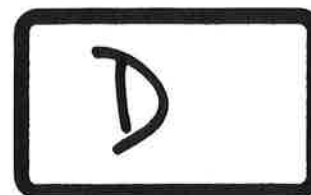
Dear Mr. Massengill,

Raftelis Financial Consultants, Inc. (Raftelis) has completed an evaluation to develop cost-justified water and wastewater system development fees for consideration by the City of Raleigh (City). This report documents the results of the analysis, which is based on an approach for establishing system development fees set forth in North Carolina General Statute 162A Article 8 – “System Development Fees.” As one of the largest and most respected utility financial, rate, management, and operational consulting firms in the U.S., and having prepared system development fee calculations for utilities in North Carolina and across the U.S. since 1993, Raftelis is qualified to perform system development fee calculations for water and wastewater utilities in North Carolina.

Background

System development fees are one-time charges assessed to new water and/or wastewater customers, or developers or builders, to recover a proportional share of capital costs incurred to provide service availability and capacity for new customers. North Carolina General Statute 162A Article 8 (Article 8) provides for the uniform authority to implement system development fees for public water and wastewater systems in North Carolina, and was recently passed by the North Carolina General Assembly and signed into law on July 20, 2017. According to the statute, system development fees must be adopted in accordance with the conditions and limitations of Article 8, and those fees in effect as of October 1, 2017 must conform to the requirements set forth in the Article no later than July 1, 2018. In addition, the system development fees must also be prepared by a financial professional or licensed professional engineer, qualified by experience and training or education, who, according to the Article, shall:

- Document in reasonable detail the facts and data used in the analysis and their sufficiency and reliability.
- Employ generally accepted accounting, engineering, and planning methodologies, including the buy-in, incremental cost or marginal cost, and combined cost approaches for each service, setting forth appropriate analysis to the consideration and selection of an



approach appropriate to the circumstances and adapted as necessary to satisfy all requirements of the Article.

- Document and demonstrate the reliable application of the methodologies to the facts and data, including all reasoning, analysis, and calculations underlying each identifiable component of the system development fee and the aggregate thereof.
- Identify all assumptions and limiting conditions affecting the analysis and demonstrate that they do not materially undermine the reliability of conclusions reached.
- Calculate a final system development fee per service unit of new development and include an equivalency or conversion table for use in determining the fees applicable for various categories of demand.
- Consider a planning horizon of not less than 10 years, nor more than 20 years.

This report documents the results of the calculation of water and wastewater system development fees for the City in accordance with these requirements.

Article 8 references three methodologies that can be used to calculate system development fees. These include the buy-in method, the incremental cost method, and the combined cost method. A description of each of these methods follows:

Capacity Buy-In Approach

The Capacity Buy-In Methodology is most appropriate in cases where the existing system assets provide adequate capacity to provide service to new customers. This approach calculates a fee based upon the proportional cost of each user's share of existing plant capacity. The cost of the facilities is based on fixed assets records and usually includes escalation of the depreciated value of those assets to current dollars.

Incremental Cost Approach

The second method used to calculate water and wastewater system development fees is the Incremental Cost (or Marginal Cost) Methodology. This method focuses on the cost of adding additional facilities to serve new customers. It is most appropriate when existing facilities do not have adequate capacity to provide service to new customers, and the cost for new capacity can be tied to an approved capital improvement plan (CIP) that covers at least a 10-year planning period.

Combined Approach

A combined approach, which is a combination of the Buy-In and Incremental Cost approaches, can be used when the existing assets provide some capacity to accommodate new customers, but where the capital improvement plan also identifies significant capital investment to add additional infrastructure to address future growth and capacity needs.

Summary of Results

To perform the system development fee calculation, Raftelis requested and was provided with the following data provided by City staff:

- Water and wastewater fixed asset data;
- Outstanding utility debt and associated debt service;
- Capital projects not yet booked to fixed assets;
- Contributed capital;
- Capacity in water and wastewater systems;
- Gallons per day per residential unit for both water and wastewater;
- System peaking factor for water;
- System water loss factor; and
- Inflow and infiltration factor for wastewater.

The City has chosen to refer to these system development fees as Capital Facilities Fees, and as such, the remainder of this report will use this terminology.

The Buy-In approach was chosen as the method to calculate the Capital Facilities Fees. Adequate capacity currently exists in both the water and wastewater treatment plant facilities and in major trunk water transmission and wastewater collection lines to address expected demand from new customers. The City is currently in the process of expanding the Neuse River Resource Recovery Facility however, at this time, the capacity that is to be provided from that expansion is not available. For this reason, the costs that have been incurred to date, as well as the debt, and the capacity that is to be provided from the expansion have not been included in the calculation. In addition, although the City does project capital improvement plans in five and ten-year increments, as shown as an attachment to the report, only the budget for year one is officially adopted and approved by City Council.

Using the Buy-In approach, Raftelis calculated the estimated cost, or investment in, the current capacity available to provide water and wastewater utility services to existing and new customers. This analysis was based on a review of fixed asset records and other information as of June 30, 2017. The depreciated value of the assets is first adjusted to reflect an estimated replacement cost to determine the “replacement cost new less depreciation” (RCNLD) value for the assets. The asset values were escalated using the Handy-Whitman Index of Public Construction Costs (for the South Atlantic Region). The RCNLD values for the water and wastewater assets also include accounting for facilities that are in service, but not yet booked to fixed assets due to an internal lag in recording of completed projects.

The RCNLD value of water assets includes water supply, treatment, storage, transmission and distribution facilities and land, but excludes non-core assets such as small equipment, administrative buildings, and meters. The RCNLD value of the wastewater assets includes

wastewater treatment and collection system facilities, disposal facilities and land, and like water, excludes non-core assets.

Results of the asset escalation by asset category are shown in Exhibits 1 and 2.

Exhibit 1 – RCNLD of Existing Water Assets

Existing Water Assets	
Asset Category	RCNLD
Buildings ¹	\$ 58,749,663
Improvements	\$ 69,844,457
Land	\$ 18,690,522
Water/Wastewater Systems	\$ 711,613,326
Total: Existing Water Assets	\$ 858,897,968
1) Includes plants, pump stations and operational facilities. Does not include administrative or miscellaneous buildings	

Exhibit 2 – RCNLD of Existing Wastewater Assets

Existing Wastewater Assets	
Asset Category	RCNLD
Buildings ¹	\$ 129,619,036
Improvements	\$ 23,958,369
Land	\$ 23,093,834
Water/Wastewater Systems	\$ 838,918,717
Total: Existing Wastewater Assets	\$ 1,015,589,956
1) Includes plants, pump stations and operational facilities. Does not include administrative or miscellaneous buildings	

Several adjustments were then made to the estimated water and wastewater RCNLD values in accordance with Article 8, which included adjustments for contributed assets, and outstanding debt service as described below.

Contributed Assets

The listing of fixed assets provided was reviewed to identify assets that were contributed or paid for by developers, and assets that were grant funded. These assets were subtracted from the RCNLD value, as these assets do not represent an investment in system capacity by the City. In addition, the City has annexed many areas in and around its service area, and as a result, constructed many lines to serve these areas. The City has charged assessments to the customers that are the recipients of water and wastewater service resulting from these annexations to help with the cost of the construction of these lines. Because these lines are paid for through a specific

fee designed to recover the costs of these specific lines, and similar to both the developer contributed capital and the grant funded assets, these assets are not paid for by the City, the costs for these lines have been included as contributed assets.

Outstanding Debt Service Credit

Utilities often borrow funds to construct assets. The City uses revenues from retail rates and charges to make the payments on these borrowed funds. To ensure that new customers are not being double charged for these assets, once through the Capital Facilities Fee and again through retail rates and charges, the outstanding debt is deducted from the calculation.

The RCNLD values for water and wastewater assets with the adjustments as described above are shown in Exhibits 3 and 4 below.

Exhibit 3 – Calculation of Water Assets for Capital Facilities Fee Calculation

Summary of Asset Information		Water
Total Water Assets		\$ 858,897,968
Less: Contributed and Grant Funded Assets		
Grant Funded Capital		\$ (485,000)
Contributed Capital: Customer Assessments for Annexations ¹		\$ (12,850,516)
Contributed Capital: Developer paid ²		\$ (123,996,566)
Subtotal: Contributed and Grant Funded Assets		\$ (137,332,082)
Total: Net Water Assets		\$ 721,565,886
Less: Outstanding Principal Debt		
Outstanding Principal Debt		\$ (334,854,031)
Water Assets for Capital Facilities Fee Calculation		\$ 386,711,855
1) Special assessments to City of Raleigh customers for line extensions due to annexation		
2) Contributions paid for by Developers		

Exhibit 4 – Calculation of Wastewater Assets for Capital Facilities Fee Calculation

Summary of Asset Information		Wastewater
Total Wastewater Assets		\$ 1,015,589,956
Less: Contributed and Grant Funded Assets		
Grant Funded Capital	\$	(625,694)
Contributed Capital: Customer Assessments for Annexations ¹	\$	(14,736,654)
Contributed Capital: Developer paid ²	\$	(127,460,259)
Subtotal: Contributed and Grant Funded Assets	\$	(142,822,607)
Total: Net Wastewater Assets	\$	872,767,349
Less: Outstanding Principal Debt		
Outstanding Principal Debt	\$	(395,942,712)
Wastewater Assets for Capital Facilities Fee Calculation	\$	476,824,637
1) Special assessments to City of Raleigh customers for line extensions due to annexation		
2) Contributions paid for by Developers		

The adjusted RCNLD values for water and wastewater were then converted to a unit cost of system capacity by dividing the RCNLD values by the water and wastewater system capacities. The combined treatment capacity of the water system is currently 102.0 million gallons per day (MGD) based on the individual treatment capacities of the City's two water treatment plants (EM Johnson WTP, 86.0 MGD; and the DE Benton WTP, 16.0 MGD).

The treatment capacity of the wastewater system is 65.2 MGD, based on the individual capacities of the City's three wastewater treatment plants (Neuse River Resource Recovery Facility, 60.0 MGD; the Smith Creek WWTP, 3.0 MGD; and the Little Creek WWTP, 2.2 MGD).

The cost per gallon per day (GPD) for water and wastewater capacity is shown below in Exhibit 5.

Exhibit 5 – Cost per GPD of Core Utility Assets

	Water	Wastewater
Adjusted RCNLD	\$ 386,711,855	\$ 476,824,637
Total Capacity [MGD]	102.00	65.20
Cost per GPD	\$ 3.79	\$ 7.31

This measure becomes the basic building block or starting point for determining the *maximum cost-justified level* of the water and wastewater Capital Facilities Fees for different types of customers are based on this cost of capacity multiplied by the amount of capacity needed to serve each type or class of customer.

The next step is to define the level of demand associated with the smallest meter size (5/8 inch) set to be consistent with the demand associated with a typical, or average, residential customer, referred to as an Equivalent Residential Unit or ERU. North Carolina Administrative Code requires the City to allocate 250 gallons per day of water and wastewater capacity for each residential unit that is permitted under the City's delegated permitting authority. To calculate the water ERU, the demand of 250 gallons per day was used and adjusted to account for peak day water use and water loss for customers. For water, one ERU of peak day capacity was defined to be 362.38 GPD as shown in Exhibit 6. For wastewater, demand of 250 gallons per day was used and adjusted to account for inflow and infiltration resulting in an ERU of 345.0 gallons per day as shown in Exhibit 6.

Exhibit 6 – Water and Wastewater Demand per ERU

	Water	Wastewater
Gallons per day per RU	250	250
System Peaking Factor	1.30	n/a
Infiltration and Inflow (I&I)	n/a	1.38
Water Loss Factor	1.115	n/a
GPD per ERU	362.38	345.0

Additional information in support of each of these factors or assumptions is provided below:

- **GPD per Residential Unit** – This number is the Permit Flow in gallons per day for a single-family residential unit based on Raleigh's delegated authority to issue water and wastewater system extension permits by the State of NC.
- **System Peaking Factor** – Currently, the system peaking factor has a 3-year average of 1.30 as the ratio between maximum day production and average day production at the water treatment plants as shown below.

Peaking Factor			
Year	Peaking Factor	Max (MGD)	Average (MGD)
2015	1.34	67.88	50.48
2016	1.28	63.26	49.4
2017	1.28	64.23	50.15
Average	1.30		

- **Water Loss Factor** – The water loss factor includes unaccounted for water losses (e.g. leaks, slow meters, theft, etc.), and water losses that are accounted for but not billed (e.g. line flushing, fire protection, etc.). Based on the City's annual water audit, this factor is determined to be 1.115.

- **Inflow/Infiltration Factor** – This factor (3-year average of 1.38) represents the proportion of flows being returned to the water reclamation plants that is attributable to inflow and infiltration (I&I) that occurs in the wastewater collection system.

Inflow / Infiltration Factor			
2015	2016	2017	Average
1.37	1.40	1.37	1.38

Assessment Methodology

The analysis provides a maximum cost-justified level of the Capital Facilities Fee that can be assessed by the City. For residential customers, the calculation of the Capital Facilities Fee is based on the cost per GPD multiplied times the number of gallons per day required to serve each ERU, as shown below in Exhibit 7.

Exhibit 7 – Capital Facilities Fee Calculation for Water and Wastewater Systems

Capital Facilities Fee Calculation	
Water Calculation	
Net Water Assets for Calculation	\$ 386,711,855
System Capacity [MGD]	102.0
Cost per GPD	\$ 3.79
GPD per ERU	362.38
Maximum Capital Facilities Fee for 5/8" meter	\$ 1,373
Wastewater Calculation	
Net Wastewater Assets for Calculation	\$ 476,824,637
System Capacity [MGD]	65.2
Cost per GPD	\$ 7.31
GPD per ERU	345.0
Maximum Capital Facilities Fee for 5/8" meter	\$ 2,522

For non-residential customers (or customers with larger meters), the fees for the smallest residential meter can be used and then scaled up by the flow ratios for each meter size, as specified in the AWWA M-1 Manual¹, the results of which are shown in Exhibit 8. This method provides a straightforward approach that is simple to administer and reasonably equitable for most new customers. Exhibit 8 shows the resulting maximum cost-justified Capital Facilities Fees by meter size for meters ranging from 5/8 inches to 12 inches. For these calculations, the Capital Facilities Fees have been rounded to the nearest dollar.

¹ See the AWWA M-1 Manual – Appendix B- Equivalent Meter Ratios; pp.386

Exhibit 8 – Maximum Cost-Justified Capital Facilities Fees by Meter Size

Meter Size	Meter Ratio ⁽¹⁾	Water Capital Facilities Fees		Wastewater Capital Facilities Fees	
		Cost-Justified Fee ⁽²⁾	Current Fee	Cost-Justified Fee ⁽²⁾	Current Fee
5/8"	1.00	\$1,373	\$1,315	\$2,522	\$1,938
3/4"	1.50	\$2,060	n/a	\$3,783	n/a
1"	2.50	\$3,433	\$3,289	\$6,305	\$4,849
1 1/2"	5.00	\$6,865	\$6,577	\$12,610	\$9,697
2"	8.00	\$10,984	\$10,523	\$20,176	\$15,516
3"	16.00	\$21,968	n/a	\$40,352	n/a
4"	25.00	\$34,325	\$32,885	\$63,050	\$48,487
6"	50.00	\$68,650	\$65,771	\$126,100	\$96,975
8"	80.00	\$109,840	\$105,233	\$201,760	\$155,159
10"	210.00	\$288,330	\$151,273	\$529,620	\$223,042
12"	265.00	\$363,845	\$282,515	\$668,330	\$416,991

(1) See the AWWA M-1 Manual – Appendix B- Equivalent Meter Ratios; pp.386

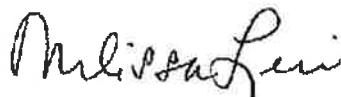
(2) Maximum level that can be cost justified at the discretion of policy makers.

The City may elect to charge a cost per gallon less than the maximum cost per gallon on which the above fees are based. If the City decides to charge a fee that is less, it is important to note that all meter sizes and customers must be treated equally. The same reduced cost per gallon per day must be used for all customers when calculating the revised Capital Facilities Fees for each meter size.

Based on discussions with City staff regarding the current expansion of the Neuse River Resource Recovery Facility, it is Raftelis' opinion that the City should have the Capital Facilities Fees analysis updated as early as next year to include the costs and funding, as well as the capacity associated with this expansion.

We are delighted to have had the opportunity to be of continued assistance to the City of Raleigh. Should you have any questions, please do not hesitate to me at (704) 373-1199. We look forward to continuing our relationship with the City of Raleigh.

Very truly yours,
RAFTELIS FINANCIAL CONSULTANTS, INC.



Melissa Levin
Senior Manager

Attachment A

Water and Wastewater CIP Summary

Public Utilities CIP Summary

FY18 Budget Process

FY2018
CIP

Fund Account	Project Name	FY 2018	FY2019	FY 2020	FY2021	FY2022	5-Year Total	Ph II	Total CIP
320 793080	Ligon Mill Rd TM 12" (B523-01)	-	-	-	-	-	-	100,000	100,000
320 792020	Ligon Mill Rd TM 12" (B523-01)	-	-	-	-	-	-	1,100,000	1,100,000
320 792020	Service Area Growth	-	-	-	100,000	100,000	200,000	300,000	500,000
320 792020	Bilyeu St. & Main Campus Dr. (A595-01)	1,000,000	-	-	-	-	-	-	1,000,000
320 792020	42" TM between US70 & Hodge Rd. (B497-01)	-	-	-	-	-	-	16,000,000	16,000,000
320 792020	Pullen to Bain 36" (A495-02)	-	-	8,230,000	-	-	8,230,000	-	8,230,000
320 792020	Perry Creek & Durant (B495-04, B495-05)	-	-	-	-	-	-	13,500,000	13,500,000
320 793080	Water Booster Station Rehab	-	-	50,000	50,000	50,000	150,000	250,000	400,000
320 793080	Bain PS Upgrade (B495-01)	-	-	350,000	350,000	350,000	1,050,000	1,750,000	2,800,000
320 792020	Bain PS Upgrade (B495-01)	-	-	-	-	100,000	100,000	-	100,000
320 792020	New PRV in Wake Forest	-	-	-	-	-	-	1,100,000	1,100,000
320 793080	VFD addition to 11MGD 495 Pumps (A532-04)	-	-	-	100,000	-	100,000	100,000	100,000
320 792020	VFD addition to 11MGD 495 Pumps (A532-04)	-	-	-	700,000	-	700,000	-	700,000
320 790010	EMJWTP Flocculation Sedimentation Basin Improvements	-	-	-	-	20,000,000	20,000,000	-	20,000,000
320 793080	EMJWTP Expansion Study	200,000	-	-	-	-	200,000	-	200,000
320 793080	EMJWTP Facility/Equipment Rehabilitation	-	75,000	75,000	75,000	75,000	300,000	375,000	675,000
320 792020	EMJWTP Facility/Equipment Rehabilitation	250,000	675,000	675,000	675,000	675,000	2,950,000	3,375,000	6,325,000
320 792020	EMJWTP Chemical Storage Tank Replacement	-	250,000	-	-	-	250,000	-	250,000
320 790010	EMJWTP Solids Handling Improvements	-	-	-	5,000,000	-	5,000,000	-	5,000,000
320 793080	EMJWTP Clearwell Rehab	1,000,000	-	-	-	-	1,000,000	-	1,000,000
320 792020	EMJ WTP Clearwell Rehab	-	7,500,000	-	-	-	7,500,000	-	7,500,000
320 790010	EMJWTP 3rd Floor Renovations	-	500,000	-	-	-	500,000	-	500,000
320 792020	EMJWTP Sludge Conveyance	3,000,000	-	-	-	-	3,000,000	-	3,000,000
320 792020	EMJWTP Bulk Storage Facilities	-	2,200,000	-	-	-	2,200,000	-	2,200,000
320 792020	EMJWTP Falls Lake Intake Rehabilitation	-	500,000	-	-	-	500,000	-	500,000
320 792020	EMJWTP North South Basin Rehabilitation	-	2,400,000	-	-	-	2,400,000	-	2,400,000
320 792020	Elevated Water Tank Rehabilitation and Maintenance	-	900,000	900,000	900,000	900,000	3,600,000	4,500,000	8,100,000
320 793080	New 495 2 MG Elevated Water Tank & Piping (B495-02, B495-03)	-	-	-	-	-	-	1,000,000	1,000,000
320 791010	New 495 2 MG Elevated Water Tank & Piping (B495-02, B495-03)	-	-	-	-	-	-	400,000	400,000
320 792020	Little River Reservoir Wake City Acquisition Reimbursement	500,000	500,000	500,000	500,000	500,000	2,500,000	2,500,000	5,000,000
320 752900	Capital Equipment Rehabilitation/Replacement	650,000	650,000	650,000	650,000	650,000	3,250,000	3,250,000	6,500,000
320 752900	Meter Replacement	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	16,750,000	16,750,000	33,500,000
320 792900	Fire Hydrant Replacement	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000	5,000,000	10,000,000
320 792900	2-inch Meter Replacement	-	1,100,000	-	-	-	1,100,000	-	1,100,000
320 793080	High Priority Action Projects	-	920,000	920,000	-	-	1,840,000	-	1,840,000
320 790010	FCA and HPR Assessment (50%)	-	-	-	1,800,000	1,800,000	3,600,000	9,000,000	12,600,000
320 793080	Main Replacement	1,200,000	950,000	1,150,000	1,150,000	1,150,000	5,600,000	6,125,000	11,725,000
320 792020	Main Replacement	11,550,000	8,300,000	10,200,000	10,350,000	10,350,000	50,750,000	55,140,000	105,890,000
320 792020	Thoroughfare Mains	700,000	500,000	500,000	500,000	500,000	2,700,000	2,500,000	5,200,000
320 792020	Galvanized Service Replacement	750,000	750,000	750,000	750,000	750,000	3,750,000	-	3,750,000
320 792020	Hillsborough Street Transmission	6,600,000	-	-	-	-	6,600,000	-	6,600,000
320 793080	Water Distribution WQ Program, Study, Eval, & Design	100,000	100,000	100,000	100,000	100,000	500,000	1,200,000	1,700,000
320 737010	Watershed Initiatives	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	11,250,000	11,250,000	22,500,000
320 Total		34,100,000	35,370,000	31,650,000	30,350,000	44,650,000	176,120,000	166,365,000	342,485,000

Fund Account	Project Name	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	5-Year Total	Ph II	Total CIP
325 792020	Lower Walnut Creek Parallel Interceptor	-	-	13,248,000	-	-	13,248,000	-	13,248,000
325 792020	Upper Paeon House Rehabilitation (CR-G-04)	-	-	4,500,000	-	-	4,500,000	-	4,500,000
325 793080	Southwest Beaver Creek Interceptor Parallel (CR-G-10)	-	-	-	400,000	-	-	-	400,000
325 790010	Southwest Beaver Creek Interceptor Parallel (CR-G-10)	-	-	-	-	-	-	3,000,000	3,000,000
325 791010	Harris Creek Interceptor Parallel (NE-G-05)	-	-	-	-	-	-	1,500,000	1,500,000
325 793080	Harris Creek Interceptor Parallel (NE-G-05)	-	-	-	-	-	-	3,200,000	3,200,000
325 792020	Harris Creek Interceptor Parallel (NE-G-05)	-	-	-	-	-	-	24,100,000	24,100,000
325 792020	Wildcat Branch Interceptor Parallel (WN-G-06)	-	-	-	-	-	-	13,400,000	13,400,000
325 792020	Neuse River East Parallel Interceptor Phase III	-	-	5,520,000	-	-	5,520,000	-	5,520,000
325 792020	Crabtree Valley Sewer Replacement (CR-G-11)	-	8,560,000	-	-	-	8,560,000	-	8,560,000
325 792020	W. Johnson & Tucker St. Repl. (CR-G-08)	-	-	-	1,400,000	-	1,400,000	-	1,400,000
325 792020	Perry Creek Outfall (NE-G-09)	-	-	-	10,200,000	-	10,200,000	-	10,200,000
325 792020	Wine Creek Outfall Parallel (CR-G-13)	-	-	-	-	4,000,000	4,000,000	-	4,000,000
325 792020	Mine Creek Outfall East (CR-G-15)	-	-	-	-	800,000	800,000	-	800,000
325 793080	Crabtree Creek Interceptor (CR-G-20)	-	-	-	-	-	-	150,000	150,000
325 791010	Crabtree Creek Interceptor (CR-G-20)	-	-	-	-	-	-	4,200,000	4,200,000
325 792020	Crabtree Creek Interceptor (CR-G-20)	-	-	-	600,000	-	600,000	-	600,000
325 793080	Brier Creek Outfall/Parallel (CR-G-23)	-	-	-	-	-	-	6,000,000	6,000,000
325 792020	Brier Creek Outfall/Parallel (CR-G-23)	-	-	-	450,000	-	450,000	-	450,000
325 793080	Ready Branch (GR-G-03)	-	-	-	-	-	-	2,200,000	2,200,000
325 792020	Ready Branch (GR-G-03)	-	-	-	5,200,000	-	5,200,000	-	5,200,000
325 792020	30/42 Richland Creek Outfall (NE-G-10, NE-G-11)	-	-	-	4,200,000	-	4,200,000	-	4,200,000
325 792020	Rocky Branch Outfall Parallel (WN-G-07)	-	-	-	-	-	-	1,500,000	1,500,000
325 793080	Walnut Creek Interceptor Parallel (WN-G-10)	-	-	-	-	-	-	300,000	300,000
325 791010	Walnut Creek Interceptor Parallel (WN-G-10)	-	-	-	-	-	-	6,600,000	6,600,000
325 792020	Walnut Creek Interceptor Parallel (WN-G-10)	-	-	-	-	-	-	400,000	400,000
325 793080	Toms Creek Outfall Replacement (SC-G-01)	-	-	-	-	-	-	1,500,000	1,500,000
325 793080	Sanford Creek Outfall Replacement (SC-G-03)	-	-	-	-	-	-	300,000	300,000
325 791010	NRWWTP Land Purchase	-	-	200,000	200,000	-	400,000	-	400,000
325 790010	NRWWTP CCTV network	750,000	-	-	-	-	750,000	-	750,000
325 790010	NRWWTP Stormwater Improvements	500,000	-	-	-	-	500,000	-	500,000
325 793080	Comprehensive Plan	-	-	-	2,000,000	-	2,000,000	-	2,000,000
325 793080	NRRRF RAS Screw Pump Replacement	400,000	-	-	-	-	400,000	-	400,000
325 792020	NRRRF RAS Screw Pump Replacement	-	4,500,000	-	-	-	4,500,000	-	4,500,000
325 793080	LCWWTP UV Rehabilitation (LC-T-01)	50,000	-	-	-	-	50,000	-	50,000
325 792020	LCWWTP UV Rehabilitation (LC-T-01)	-	-	-	-	-	-	500,000	500,000
325 793080	NRRRF Grit Basin Rehabilitation (NE-T-02)	-	-	-	-	-	-	600,000	600,000
325 792020	NRRRF Grit Basin Rehabilitation (NE-T-02)	-	-	-	-	-	-	4,100,000	4,100,000
325 793080	SCWWTP Flow Attenuation and Grit Removal Improvements (SC-T-01)	300,000	-	-	-	-	300,000	-	300,000
325 792020	SCWWTP Flow Attenuation and Grit Removal Improvements (SC-T-01)	-	-	3,100,000	-	-	3,100,000	-	3,100,000
325 793080	Odor and Corrosion Study for Plants	500,000	-	-	-	-	500,000	-	500,000
325 792020	East Neuse Regional Pump Station & Force Main	-	-	-	-	-	-	1,000,000	1,000,000
325 793080	LCWWTP Rehabilitation Project (LC-T-02)	75,000	-	75,000	-	-	150,000	-	150,000
325 792020	LCWWTP Rehabilitation Project (LC-T-02)	-	-	-	75,000	-	75,000	-	75,000
325 793080	Resource Recovery Facility/Equipment Rehabilitation	675,000	-	675,000	-	-	1,350,000	-	1,350,000
325 792020	Resource Recovery Facility/Equipment Rehabilitation	-	-	-	675,000	-	675,000	-	675,000
325 792020	NRRRF UV Cable Replacement	10,860,000	-	-	-	-	10,860,000	-	10,860,000
325 793080	Sanitary Sewer Pump Station Removal/Rehab/Replacement	100,000	-	100,000	-	-	200,000	-	200,000
325 792020	Sanitary Sewer Pump Station Removal/Rehab/Replacement	-	-	-	100,000	-	100,000	-	100,000
325 793080	Walnut Creek Odor	1,300,000	-	-	-	-	1,300,000	-	1,300,000
325 792020	PS Generator Replacement	200,000	-	200,000	-	-	400,000	-	400,000
325 793080	Main Replacement	2,000,000	-	2,000,000	-	-	4,000,000	-	4,000,000
325 792020	Main Replacement	-	-	-	-	-	-	1,000,000	1,000,000
325 793080	Force Main Condition Assessment (HPA)	182,000	-	182,000	-	-	364,000	-	364,000
325 790010	Force Main FCA and HPRP Assessment (50%)	-	1,590,000	-	-	-	1,590,000	-	1,590,000
325 792020	Force Main Replacement/Rehab	-	-	-	-	-	-	8,410,000	8,410,000
325 793080	Gravity Sewer Condition Assessment (HPA)	550,000	-	-	-	-	550,000	-	550,000
325 790010	Gravity Sewer FCA and HPRP Assessment (50%)	-	-	-	-	-	-	10,425,000	10,425,000
325 792020	Highest Priority Action Aerial Projects	1,360,000	-	1,360,000	-	-	2,720,000	-	2,720,000
325 793080	Pump Station and ARC Flash Assessment	100,000	-	100,000	-	-	200,000	-	200,000
325 792020	Manhole Rehab Replacement	400,000	-	400,000	-	-	800,000	-	800,000
325 793080	Sanitary Sewer Siphon Rehabilitation	-	-	-	100,000	-	100,000	-	100,000
325 792020	Sanitary Sewer Siphon Rehabilitation	-	-	-	100,000	-	200,000	-	200,000
325 793080	Service Area Growth	-	-	50,000	-	-	50,000	-	50,000
325 792020	Service Area Growth	-	-	150,000	-	-	150,000	-	150,000
325 792020	Utility Field Operation Facilities Improvements	-	-	500,000	-	-	500,000	-	500,000
325 791010	Access to Sanitary Sewer Mains	-	-	200,000	-	-	200,000	-	200,000
325 793080	Sewer System Capacity	200,000	-	200,000	-	-	400,000	-	400,000
325 792020	Walnut Creek Debris Pads	500,000	-	-	-	-	500,000	-	500,000
325 793080	Corrosion Control Pilot	100,000	-	-	-	-	100,000	-	100,000
325 Total		40,402,000	41,442,000	55,600,000	61,792,000	54,242,000	213,478,000	209,220,000	462,698,000

Fund Account	Project Name	FY 2018	FY2019	FY 2020	FY2021	FY2022	5-Year Total	Ph II	Total CIP
348 790010	Hebron Church Road 24" (A532-03)	1,140,000	-	-	-	-	1,140,000	-	1,140,000
348 790010	Oregon Trail Rd Line 24" (A532-02)	1,500,000	-	-	-	-	1,500,000	-	1,500,000
348 790080	Zebulon TM on NC97 (A462-02)	-	-	500,000	-	-	500,000	-	500,000
348 790020	Zebulon TM on NC97 (A462-02)	-	-	-	4,070,000	-	4,070,000	-	4,070,000
348 790080	42" TM between US70 & Hodge Rd. (B497-01)	-	-	-	-	3,000,000	3,000,000	-	3,000,000
348 790020	42" TM between US70 & Hodge Rd. (B497-01)	-	-	-	-	-	-	10,800,000	10,800,000
348 790080	Durham Rd. between Tyler Run Dr. & Wingate (A605-01)	-	25,000	-	-	-	25,000	-	25,000
348 790080	Durham Rd. between Tyler Run Dr. & Wingate (A605-01)	-	-	250,000	-	-	250,000	-	250,000
348 790080	US70 & Westgate (A605-03)	-	100,000	-	-	-	100,000	-	100,000
348 790020	US70 & Westgate (A605-03)	-	-	930,000	-	-	930,000	-	930,000
348 790080	Pullen to Bain 36" (A495-02)	900,000	-	-	-	-	-	-	900,000
348 790080	Perry Creek & Durant (B495-04, B495-05)	-	400,000	1,000,000	-	-	1,400,000	-	1,400,000
348 790080	Perry Creek & Durant (B495-04, B495-05)	-	-	400,000	-	-	400,000	-	400,000
348 790020	EMJWTP Discharge Pipe (B302)	-	-	-	-	-	-	620,000	620,000
348 790080	Parallel 16" NC97 to Wendell PS (A462-01)	-	-	60,000	-	-	60,000	-	60,000
348 790020	Parallel 16" NC97 to Wendell PS (A462-01)	-	-	-	600,000	-	600,000	-	600,000
348 790010	EMJWTP PS1 Upgrade (B605-1)	-	-	-	-	-	-	1,100,000	1,100,000
348 790080	EMJWTP PS1 Upgrade (B605-1)	600,000	-	-	-	100,000	700,000	-	700,000
348 790020	DEBWP - New 6 MGD pump (A532-01)	-	-	-	-	-	-	-	-
348 790080	Forestville PS Upgrade (B560-01)	-	-	-	-	50,000	50,000	-	50,000
348 790020	Forestville PS Upgrade (B560-01)	-	-	-	-	-	-	500,000	500,000
348 790080	Benton WTP Pump Upgrade (B497-03)	-	-	-	-	-	-	100,000	100,000
348 790020	Benton WTP Pump Upgrade (B497-03)	-	-	-	-	-	-	1,100,000	1,100,000
348 790080	G.G. Hill PS (A605-02)	-	150,000	-	-	-	150,000	-	150,000
348 790020	G.G. Hill PS (A605-02)	-	-	1,230,000	-	-	1,230,000	-	1,230,000
348 790020	48- and 42-inch Valve Additions (497-02)	-	-	-	-	-	-	480,000	480,000
348 790010	EMJWTP Cleanwell Expansion	-	-	-	-	-	-	21,000,000	21,000,000
348 790010	EMJWTP Ozone Expansion	-	-	-	-	-	-	24,500,000	24,500,000
348 790010	EMJWTP Flocculation Sedimentation Basin Improvements	-	-	-	-	-	-	18,400,000	18,400,000
348 790010	EMJWTP Filter/Sed/Floc Basin Additions	-	-	2,000,000	-	16,400,000	18,400,000	-	38,500,000
348 790010	EMJWTP UV/Solids Handling	-	-	-	-	-	-	36,000,000	36,000,000
348 790020	EMJWTP UV/Solids Handling	325,000	-	-	-	-	325,000	-	325,000
348 790080	EMJWTP Power Generation Expansion	-	220,000	-	-	-	220,000	-	220,000
348 790010	EMJWTP Power Generation Expansion	-	-	3,850,000	-	-	3,850,000	-	3,850,000
348 790010	DEBWP Raw Water Reservoir	-	1,000,000	34,000,000	-	-	35,000,000	-	35,000,000
348 790020	DEBWP Lake Benson Boat Ramp	-	-	250,000	-	-	250,000	-	250,000
348 790080	DEBWP Pulsator Covers	65,000	-	-	-	-	65,000	-	65,000
348 790020	DEBWP Pulsator Covers	-	625,000	-	-	-	625,000	-	625,000
348 790080	White Oak 532 1 MG Elevated Water Tank (B532-02)	-	-	-	-	-	-	700,000	700,000
348 790020	White Oak 532 1 MG Elevated Water Tank (B532-02)	-	-	-	-	-	-	3,500,000	3,500,000
348 790010	Water Supply Development	-	500,000	500,000	500,000	500,000	2,000,000	2,500,000	4,500,000
348 Total		4,530,000	3,020,000	44,970,000	5,170,000	20,050,000	77,740,000	141,400,000	219,140,000

Fund Account	Project Name	FY 2018	FY2019	FY 2020	FY2021	FY2022	5-Year Total	Ph II	Total CIP
349 792020 Lower Walnut Creek Parallel Interceptor		-	-	8,752,000	-	-	8,752,000	-	8,752,000
349 792020 Poplar Creek Interceptor		6,000,000	-	-	-	-	6,000,000	-	6,000,000
349 793080 Big Branch Interceptor Parallel (CR-G-06)		700,000	700,000	-	-	-	1,400,000	-	1,400,000
349 792020 Big Branch Interceptor Parallel (CR-G-06)		-	-	11,200,000	-	-	11,200,000	-	11,200,000
349 793080 Wildcat Branch Interceptor Parallel (WN-G-06)		-	-	1,500,000	-	-	1,500,000	-	1,500,000
349 792020 Neuse River East Parallel Interceptor Phase III		-	-	58,230,000	-	-	58,230,000	-	58,230,000
349 793080 Neuse River East Parallel Interceptor Phase III		2,000,000	-	-	-	-	2,000,000	-	2,000,000
349 791010 Neuse River East Parallel Interceptor Phase III		-	3,000,000	-	-	-	3,000,000	-	3,000,000
349 793080 Neuse River East Parallel Interceptor Phase IV		1,000,000	-	-	-	-	1,000,000	-	1,000,000
349 791010 Neuse River East Parallel Interceptor Phase IV		-	2,000,000	-	-	-	2,000,000	-	2,000,000
349 792020 Neuse River East Parallel Interceptor Phase IV		-	-	31,000,000	-	-	31,000,000	-	31,000,000
349 790010 Neuse River East Parallel Interceptor Phase V		-	-	-	-	-	-	34,000,000	34,000,000
349 792020 Crabtree Valley Sewer Replacement (CR-G-11)		-	16,440,000	-	-	-	16,440,000	-	16,440,000
349 792020 72-inch Interceptor Rehabilitation		-	15,000,000	-	-	-	15,000,000	-	15,000,000
349 792020 Brentwood Estates Gravity Sewer (CR-G-01)		4,400,000	-	-	-	-	4,400,000	-	4,400,000
349 793080 W. Johnson & Tucker St. Repl. (CR-G-08)		850,000	200,000	-	-	-	1,050,000	-	1,050,000
349 793080 Perry Creek/Neuse River Interceptor Parallel (NE-G-07)		-	-	10,200,000	-	-	10,200,000	-	10,200,000
349 793080 Perry Creek Outfall (NE-G-09)		-	1,000,000	-	-	-	1,000,000	-	1,000,000
349 791010 S. Saunders St. Outfall (WN-G-08)		500,000	-	-	-	-	500,000	-	500,000
349 792020 S. Saunders St. Outfall (WN-G-08)		-	5,000,000	-	-	-	5,000,000	-	5,000,000
349 793080 Mine Creek Outfall Parallel (CR-G-13)		450,000	900,000	-	-	-	1,350,000	-	1,350,000
349 793080 Richland Creek Outfall (CR-G-12)		-	-	-	-	-	-	1,300,000	1,300,000
349 792020 Richland Creek Outfall (CR-G-12)		-	-	-	-	-	-	10,000,000	10,000,000
349 793080 Mine Creek Outfall East (CR-G-15)		-	-	550,000	-	-	550,000	-	550,000
349 793080 30/42 Richland Creek Outfall (NE-G-10, NE-G-11)		-	600,000	-	-	-	600,000	-	600,000
349 793080 Big Branch South Parallel (WN-G-02)		-	-	-	-	-	-	1,700,000	1,700,000
349 791010 Big Branch South Parallel (WN-G-02)		-	-	300,000	-	-	300,000	-	300,000
349 792020 Big Branch South Parallel (WN-G-02)		-	-	-	2,300,000	-	2,300,000	-	2,300,000
349 793080 S. State St. Outfall Replacement (WN-G-04)		-	-	-	-	-	-	-	-
349 792020 S. State St. Outfall Replacement (WN-G-04)		2,000,000	-	-	-	-	2,000,000	-	2,000,000
349 792020 E. South St. Gravity Sewer Replacement (WN-G-05)		-	500,000	-	-	-	500,000	-	500,000
349 793080 Rocky Branch Outfall Parallel (WN-G-07)		150,000	-	-	-	-	150,000	-	150,000
349 793080 Turkey Creek Outfall (CR-G-21)		-	-	1,200,000	-	-	1,200,000	-	1,200,000
349 792020 Turkey Creek Outfall (CR-G-21)		-	-	800,000	-	-	800,000	-	800,000
349 793080 Southeast Beaver Dam Outfall (CR-G-09)		-	-	-	-	-	-	6,000,000	6,000,000
349 792020 Southeast Beaver Dam Outfall (CR-G-09)		-	-	-	-	-	-	2,400,000	2,400,000
349 793080 Walnut Interceptor Parallel (WN-G-03)		-	-	-	-	-	-	700,000	700,000
349 791010 Walnut Interceptor Parallel (WN-G-03)		-	-	-	-	-	-	-	-
349 793080 NRWTP Anaerobic Digesters		4,000,000	-	-	-	-	4,000,000	-	4,000,000
349 792020 NRWTP Anaerobic Digesters		95,000,000	-	-	-	-	95,000,000	-	95,000,000
349 790010 Nitrogen Credit Purchase (NE-T-01)		-	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000	1,000,000	5,000,000
349 793080 Preliminary Permitting Study for WWT Expansion (NSG-T-01)		750,000	-	-	-	-	750,000	-	750,000
349 793080 SCWWTP Upgrade (SC-T-02)		-	-	-	-	2,300,000	2,300,000	-	2,300,000
349 792020 SCWWTP Upgrade (SC-T-03)		-	-	-	-	-	-	40,000,000	40,000,000
349 793080 Reuse Expansion/Improvements		-	300,000	300,000	300,000	300,000	1,200,000	1,500,000	2,700,000
349 792020 Reuse Expansion/Improvements		-	2,700,000	2,700,000	2,700,000	2,700,000	10,800,000	13,500,000	24,300,000
349 792020 East Neuse Regional Pump Station & Force Main		13,140,000	-	-	-	-	13,140,000	-	13,140,000
349 793080 Hwy 50 PS Upgrade and FM Parallel (WWTP MP)		-	-	-	-	-	-	7,000,000	7,000,000
349 793080 Little Creek Transfer Station and FM		-	-	-	-	-	-	6,400,000	6,400,000
349 793080 South Main PS Capacity Upgrade (SC-P-02)		-	-	-	-	-	-	600,000	600,000
349 792020 South Main PS Capacity Upgrade (SC-P-02)		-	-	-	-	-	-	2,800,000	2,800,000
349 793080 White Oak PS Upgrade (GR-P-01)		-	-	-	-	-	-	2,200,000	2,200,000
349 792020 White Oak PS Upgrade (GR-P-01)		-	-	-	-	-	-	10,800,000	10,800,000
349 793080 Regional Pump Stations		-	-	-	-	-	-	500,000	500,000
349 792020 Regional Pump Stations		-	-	-	-	-	-	15,000,000	15,000,000
349 792020 Wendell Lake Glad Rd. Demolition		250,000	-	-	-	-	250,000	-	250,000
349 Total		131,190,000	49,340,000	127,732,000	6,300,000	6,300,000	320,862,000	171,400,000	492,262,000
Grand Total		210,222,000	129,172,000	259,952,000	103,612,000	125,242,000	828,200,000	588,385,000	1,515,585,000



**City of Raleigh
Inspections Department
Utility Permit**



Transaction #: 534682

Group #: 449305

Permit #: 67294

ADDRESS: **8313 LEYBURN CT**

Subdivision: SINGLETON PLACE

Lot Number: 0002 NC PIN: 1708013524 000

Real Estate ID: 0441865

Conditions/Comments:

City Limits: YES

Authorized Work: WATER & SEWER

Work Type: Residential Dwelling

Permit Approved by: STOCKDALEB

INACTIVE

Property Owner:

WARDSON CONSTRUCTION, INC
1000 DARRINGTON DR STE 105
CARY NC 27513-8134

Contact Person:

BENJAMIN K. WARD
919-462-0775

Permit Details

Annexation Date: 6/30/1987

Parc Land Use (ex): 990 / VACANT LAND

Bldg Land Use (ex): /

Unit Land Use (ex): /

New Service

WATER 1 - 3/4 Inch Contractor installed

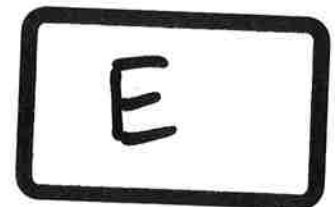
SEWER 1 - 4 Inch Contractor installed

METER 1 - 5/8 Inch City installed

Other Installation Charges

3/4" WATER	\$0.00
4" SEWER	\$0.00
5/8" METER INSTALLATION	\$245.00
SEWER CAPITAL FAC 5/8"	\$1,938.00
WATER CAPITAL FAC 5/8"	\$1,315.00
	<u>\$3,498.00</u>

PLEASE CONTACT THE CITY OF RALEIGH UTILITY BILLING DIVISION AT (919) 890-3245 TO REQUEST ACCOUNT ACTIVATION AND METER INSTALLATION.



Permit Fee: \$3,498.00

TOTAL FEE PAID: \$3,498.00



City of Raleigh
Inspections Department
RECEIPT



Receipt #: 484117

Payment Date: 1/9/20

Payment:

Check #16916 - \$8,029.00

Visa - \$251.00

Total Payment - \$8,280.00

Payor:

WARDSON CONSTRUCTION INC
1000 DARRINTON DR
CARY NC 27513

Group #: 449305 Trans #: 534682 8313 LEYBURN CT

BL 144362	\$120.00
EL 232010	\$110.00
FF 54346	\$3,569.00
MC 196908	\$110.00
MI 230169	\$251.00
PL 145113	\$110.00
RW 88515	\$220.00
RW 88516	\$110.00
UC 67294	\$3,498.00
ZN 49618	\$182.00
	<u>\$8,280.00</u>

\$8,280.00

Cashier: HURLEYJ

Page 1 of 1



**City of Raleigh
Inspections Department
Utility Permit**



Transaction #: 459755

Group #: 380784

Permit #: 63194

ADDRESS: **8417 HOBHOUSE CIR**

Subdivision: WINDSOR FOREST PHASE II RESUB

Conditions/Comments:

Lot Number: NC PIN: 1727695833 000

Real Estate ID: 0246682

City Limits: YES

Authorized Work: WATER & SEWER

Work Type: Residential Dwelling

Permit Approved by: MORTIMERD

INACTIVE

Property Owner:

HOMEQUEST BUILDERS INC
303 GRAND AVE
RALEIGH NC 27606-1333

Contact Person:

BRAD GREEN
919-422-2438

Permit Details

Annexation Date: 6/30/1991
Parc Land Use (ex): 990 / VACANT LAND
Bldg Land Use (ex): /
Unit Land Use (ex): /

New Service

WATER 1 - 3/4 Inch Contractor installed
SEWER 1 - 4 Inch Contractor installed
METER 1 - 5/8 Inch City installed

Other Installation Charges

3/4" WATER	\$0.00
4" SEWER	\$0.00
5/8" METER INSTALLATION	\$224.00
SEWER CAPITAL FAC 5/8"	\$1,567.00
WATER CAPITAL FAC 5/8"	\$1,492.00
	<u>\$3,283.00</u>

PLEASE CONTACT THE CITY OF RALEIGH UTILITY BILLING DIVISION AT (919) 890-3245 TO REQUEST ACCOUNT ACTIVATION AND METER INSTALLATION.



Permit Fee: \$3,283.00

TOTAL FEE PAID: \$3,283.00



City of Raleigh
Inspections Department
RECEIPT



Receipt #: 408112

Payment Date: 2/12/2016

Payment:
Check #8875 - \$7,524.00

Total Payment - \$7,524.00

Payor:
HOMEQUEST
303 GRAND AVE
RALEIGH NC 27606

Group #: 380784 Trans #: 459755 8417 HOBHOUSE CIR

BL 128291	\$380.00
EL 200399	\$212.00
FF 51065	\$2,929.00
FL 41123	\$194.00
MC 171422	\$150.00
PL 130264	\$212.00
RW 81025	\$82.00
RW 81026	\$0.00
UC 63194	\$3,283.00
ZN 37379	\$82.00
	\$7,524.00

\$7,524.00

Cashier: HURLEYJ _____



City of Raleigh
Inspections Department
Utility Permit



Transaction #: 465951

Group #: 386935

Permit #: 63594

ADDRESS: **8421 HOBHOUSE CIR**

Subdivision: WINDSOR FOREST PHASE II RESUB

Conditions/Comments:

Lot Number: NC PIN: 1727694863 000

Real Estate ID: 0246683

City Limits: YES

Authorized Work: WATER & SEWER

Work Type: Residential Dwelling

Permit Approved by: MORTIMERD

INACTIVE

Property Owner:

HOMEQUEST BUILDERS INC
303 GRAND AVE
RALEIGH NC 27606-1333

Contact Person:

BRAD GREENE
919-859-6208

Permit Details

Annexation Date: 6/30/1991
Parc Land Use (ex): 990 / VACANT LAND
Bldg Land Use (ex): /
Unit Land Use (ex): /

New Service

WATER 1 - 3/4 Inch Contractor installed
SEWER 1 - 4 Inch Contractor installed
METER 1 - 5/8 Inch City installed

Other Installation Charges

3/4" WATER	\$0.00
4" SEWER	\$0.00
5/8" METER INSTALLATION	\$224.00
SEWER CAPITAL FAC 5/8"	\$1,567.00
WATER CAPITAL FAC 5/8"	\$1,492.00
	<u>\$3,283.00</u>

PLEASE CONTACT THE CITY OF RALEIGH UTILITY BILLING DIVISION AT (919) 890-3245 TO REQUEST ACCOUNT ACTIVATION AND METER INSTALLATION.



Permit Fee: \$3,283.00

TOTAL FEE PAID: \$3,283.00



City of Raleigh
Inspections Department



RECEIPT

Receipt #: 415786

Payment Date: 4/26/2016

Payment:

Check #8944 - \$7,335.00

Total Payment - \$7,335.00

Payor:

HOMEQUEST BUILDERS, INC.
303 GRAND AVE.
RALEIGH NC 27614

Group #: 386935 Trans #: 465951 8421 HOBHOUSE CIR

BL 129822	\$381.00
EL 203053	\$213.00
FF 51375	\$2,929.00
MC 173598	\$152.00
PL 131837	\$213.00
RW 81702	\$82.00
RW 81703	\$0.00
UC 63594	\$3,283.00
ZN 38346	\$82.00
	<u>\$7,335.00</u>

\$7,335.00

Cashier: MCBRIDE _____



**City of Raleigh
Inspections Department
Utility Permit**



Transaction #: 479150

Group #: 400233

Permit #: 64330

ADDRESS: **8425 HOBHOUSE CIR**

Subdivision: WINDSOR FOREST PHASE II RESUB

Conditions/Comments:

Lot Number: 0077 NC PIN: 1727693894 000

Real Estate ID: 0246684

City Limits: YES

Authorized Work: WATER & SEWER

Work Type: Residential Dwelling

Permit Approved by: MORTIMERD

INACTIVE

Property Owner:

HOMEQUEST BUILDERS INC
303 GRAND AVE
RALEIGH NC 27606-1333

Contact Person:

BRAD GREENE
919-859-6208

Permit Details

Annexation Date: 6/30/1991
Parc Land Use (ex): 990 / VACANT LAND
Bldg Land Use (ex): /
Unit Land Use (ex): /

New Service

WATER 1 - 3/4 Inch Contractor installed
SEWER 1 - 4 Inch Contractor installed
METER 1 - 5/8 Inch City installed

Other Installation Charges

3/4" WATER	\$0.00
4" SEWER	\$0.00
5/8" METER INSTALLATION	\$245.00
SEWER CAPITAL FAC 5/8"	\$1,567.00
WATER CAPITAL FAC 5/8"	\$1,492.00
	<u>\$3,304.00</u>

PLEASE CONTACT THE CITY OF RALEIGH UTILITY BILLING DIVISION AT (919) 890-3245 TO REQUEST ACCOUNT ACTIVATION AND METER INSTALLATION.



Permit Fee: \$3,304.00

TOTAL FEE PAID: \$3,304.00



City of Raleigh
Inspections Department
RECEIPT



Receipt #: 428386

Payment Date: 8/9/2016

Payment:

MasterCard - \$8,007.00

Total Payment - \$8,007.00

Payor:

HOMEQUEST BUILDER
303 GRAND AVE
RALEIGH NC 27606

Group #: 400233 Trans #: 479150 8425 HOBHOUSE CIR

BL 132769	\$466.00
EL 209308	\$262.00
FF 51981	\$3,169.00
FL 43236	\$194.00
MC 178309	\$186.00
PL 134674	\$262.00
RW 83011	\$82.00
RW 83114	\$0.00
UC 64330	\$3,304.00
ZN 40706	\$82.00
	\$8,007.00

\$8,007.00

Cashier: HURLEYJ _____



City of Raleigh
Inspections Department
Utility Permit



Transaction #: 509241

Group #: 429135

Permit #: 65952

ADDRESS: **515 GROVE AVE**

Subdivision:

Lot Number: 0002

NC PIN: 0784404881 000

Real Estate ID: 0444373

Conditions/Comments:

City Limits: YES

Authorized Work: WATER AND SEWER

Work Type: Residential Dwelling

Permit Approved by: PAINEP

INACTIVE

Property Owner:

HOMEQUEST BUILDERS, INC
303 GRAND AVE
RALEIGH NC 27606-1333

Contact Person:

STEVE SMALTO
919-819-1418

Permit Details

Annexation Date:

Parc Land Use (ex): 990 / VACANT LAND

Bldg Land Use (ex): /

Unit Land Use (ex): /

New Service

WATER 1 - 3/4 Inch Contractor installed

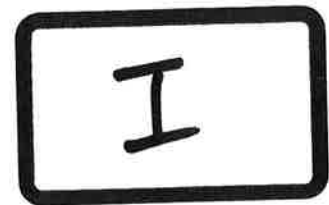
SEWER 1 - 4 Inch Contractor installed

METER 1 - 5/8 Inch City installed

Other Installation Charges

3/4" WATER	\$0.00
4" SEWER	\$0.00
5/8" METER INSTALLATION	\$245.00
SEWER CAPITAL FAC 5/8"	\$1,567.00
WATER CAPITAL FAC 5/8"	\$1,492.00
	<u>\$3,304.00</u>

PLEASE CONTACT THE CITY OF RALEIGH UTILITY BILLING DIVISION AT (919) 890-3245 TO REQUEST ACCOUNT ACTIVATION AND METER INSTALLATION.



Permit Fee: \$3,304.00

TOTAL FEE PAID: \$3,304.00

Cashier: STALLINGSC

Date Issued: 7/19/2017

Payment Receipt #:465714



City of Raleigh
Inspections Department
RECEIPT



Receipt #: 465714

Payment Date: 7/19/2017

Payment:
Check #11020 - \$8,638.00

Total Payment - \$8,638.00

Payor:
HOMEQUEST
303 GRAND AVENUE
RALEIGH, NC 27606

Group #: 429135 Trans #: 509241 515 GROVE AVE

BL 139371	\$516.00
EL 221188	\$290.00
FF 53338	\$3,042.00
LD 102557	\$82.00
MC 187903	\$206.00
PL 140330	\$290.00
RW 85833	\$92.00
RW 85834	\$0.00
UC 65952	\$3,304.00
ZN 45479	\$82.00
	\$7,904.00

Group #: 438448 Trans #: 509241 515 GROVE AVE

BL 141320	\$414.00
EL 225850	\$238.00
ZN 47087	\$82.00
	\$734.00

\$8,638.00

Cashier: STALLINGSC _____



**City of Raleigh
Inspections Department
Utility Permit**



Transaction #: 509240

Group #: 429127

Permit #: 65951

ADDRESS: **517 GROVE AVE**

Subdivision:

Lot Number: 0003

NC PIN: 0784404787 000

Real Estate ID: 0066796

Conditions/Comments:

City Limits: YES

Authorized Work: WATER AND SEWER

Work Type: Residential Dwelling

Permit Approved by: PAINEP

INACTIVE

Property Owner:

HOMEQUEST BUILDERS, INC
303 GRAND AVE
RALEIGH NC 27606-1333

Contact Person:

STEVE SMALTO
919-819-1418

Permit Details

Annexation Date:

Parc Land Use (ex): 990 / VACANT LAND

Bldg Land Use (ex): /

Unit Land Use (ex): /

New Service

WATER 1 - 3/4 Inch Contractor installed

SEWER 1 - 4 Inch Contractor installed

METER 1 - 5/8 Inch City installed

Other Installation Charges

3/4" WATER	\$0.00
4" SEWER	\$0.00
5/8" METER INSTALLATION	\$245.00
SEWER CAPITAL FAC 5/8"	\$1,567.00
WATER CAPITAL FAC 5/8"	\$1,492.00
	<u>\$3,304.00</u>

PLEASE CONTACT THE CITY OF RALEIGH UTILITY BILLING DIVISION AT (919) 890-3245 TO REQUEST ACCOUNT ACTIVATION AND METER INSTALLATION.



Permit Fee: \$3,304.00

TOTAL FEE PAID: \$3,304.00

Cashier: PEARCEMI

Date Issued: 7/11/2017

Payment Receipt #:464676



City of Raleigh
Inspections Department
RECEIPT



Receipt #: 464676

Payment Date: 7/11/2017

Payment:
Check #9499 - \$5,457.00

Total Payment - \$5,457.00

Payor:
HOMEQUEST BUILDERS
303 GRAND AVENUE
RALEIGH NC 27606

Group #: 429127 Trans #: 509240 517 GROVE AVE

BL 139369	\$497.00
EL 221184	\$280.00
LD 102555	\$82.00
MC 187900	\$198.00
PL 140327	\$280.00
RW 85829	\$0.00
UC 65951	\$3,304.00
ZN 45477	\$82.00
	\$4,723.00

Group #: 438450 Trans #: 509240 517 GROVE AVE

BL 141321	\$414.00
EL 225851	\$238.00
ZN 47089	\$82.00
	\$734.00

\$5,457.00